

NEW JERSEY DEPARTMENT OF
COMMUNITY AFFAIRS



Assessment Procedures Manual:

A Guide For New Jersey's Liquefied Petroleum Gas Industry's Reporting of Odorized LP-Gas

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Assessment Procedures Manual

Introduction

This booklet describes the forms that shall be used in the remittance of funds generated through the Liquefied Petroleum Gas Education and Safety Program. The responsibilities of different parties involved in this process are also outlined. These responsibilities are in accordance with the State Statutes 21:1B and rules adopted by the Bureau of Code Services (BCS).

Explanation

Under State Statutes title 21:1B, Liquefied Petroleum Gases, legislation was passed by the New Jersey State Legislature. The legislation created the Liquefied Petroleum Gas Education and Safety Board (NJ-LPGESB), which recommends to the Commissioner of the Department of Community Affairs (DCA), programs and projects in some of the following areas:

- Consumer safety awareness and employee safety training
- Development of training and education programs
- Public information and education about safety and other issues associated with the use of LP-Gas
- Amendments to the LP-Gas rules and regulations

The Board consists of 11 members: three public members, one member representative from the environmental community, one member representative from a consumer group, five members representative of the liquefied petroleum gas industry and one member of a gas public utility.

The Department of Community Affairs, Division of Codes and Standards, Bureau of Code Services is given the responsibility to enforce the Act and the regulation promulgated as N.J.A.C. 5:18, "Liquefied Petroleum Gas." Liquefied petroleum gas (LP-Gas) is defined as any material which is composed predominantly of any of the following hydrocarbons, or mixtures of the same: propane, propylene, butanes (normal or isobutene) and butylenes.

The forms included in this booklet are to be used to report assessment payments or odorization activities. It is hoped that this information will answer all the questions about this program, however if any further questions about the assessment process or the NJ-LPGESB arise, please do not hesitate to call or write:

Department of Community Affairs
Bureau of Code Services
LP-Gas Unit
P.O. Box 816
Trenton, NJ 08625 – 0816

Telephone 609-633-6835
Fax 609-633-1040.

Basic Requirements

The Liquefied Petroleum Gas law requires that “the owner of LP-Gas immediately prior to odorization shall be responsible for the payment of the assessment on the volume of liquefied petroleum gas at the time of import or odorization, whichever is earlier.” In most cases, this is the producer (gas plant or refinery), who has sold odorized LP-Gas to their customers (a LP-Gas wholesale or retail marketer) and who in turn takes possession of the odorized product and markets it for sale in New Jersey. Additionally, if unodorized LP-Gas is purchased and taken possession for shipment into New Jersey or for storage and later use or resale, the odorizer is responsible for payment of the assessment at the time it is odorized.

The law sets the original assessment at 1/15 of 1 cent per gallon of LPG. Assessment payments begin on July 1, 2001, and are payable to Treasurer State of New Jersey, sent to the Bureau of Code Services and are due no later than the **25th of the month following the end of the quarter:**

- **April 25th for the 1st quarter**
- **July 25th for the 2nd quarter**
- **October 25th for the 3rd quarter**
- **January 25th for the 4th quarter**

Frequently Asked Questions

Q1. Does a marketer who buys unodorized LP-Gas have to pay when he causes it to be odorized?

A1. Yes. The law places the obligation for payment of the assessment on the owner of the product at the time it is odorized. Thus, if you now own unodorized LP-Gas, either by yourself or by a storage cavern, terminal operator or loading rack, either for your own use or for resale to another, then you must pay the assessment to the BCS.

Q2. Does a storage cavern, terminal, loading rack operator or exchange cabinet seller have to pay?

A2. Unless a storage cavern, terminal or loading rack operator takes legal title to the product being stored, transported or loaded, he/she has no obligation to collect or pay the assessment. Storage cavern, terminal, loading rack and exchange cabinet operators are asked by the BCS to report the volumes of product which are odorized at their facility in order to assist the BCS in its collection process. (See the Odorization Report for Terminal Operators, LPG-6, included in this manual.)

Q3. Does a chemical company or other end-user of unodorized LP-Gas have to pay if he/she sells odorized LP-Gas to someone else?

A3. Yes. Anyone who owns unodorized LP-Gas and then sells odorized LP-Gas for shipment or resale in New Jersey is responsible for reporting and remitting the assessment on the total volume of NJ shipped LP-Gas at the time it is odorized.

Q4. What are the obligations of a marketer who never owns odorized LP-Gas?

A4. If you always purchase odorized LP-Gas from your supplier, regardless of whether that supplier is a producer, broker, wholesaler or another marketer, then you have no obligations under the law.

Q5. What do I do if I make a mistake and overpay or underpay?

A5. You should immediately contact the BCS staff and report the mistake. If the underpayment was unintentional, you will be asked to correct the report and pay the proper assessment. Underpayments are subject to penalty and interest. If you overpaid, you will be asked for an explanation and an accounting and upon verification of the overpayment, the amount will not be refunded, but will be credited against future remittance payments as determined by the BCS.

Q6. What are the penalties for failing to pay the assessment?

A6. To complete compliance, DCA's commissioner will levy a penalty through the Bureau of Code Services, under Statute 21:1B-5. A successful action for compliance under the law also may require payment by the defendant of the costs incurred by the commissioner in bringing action.

Q7. What are the penalties for late payment?

A7. A penalty of 5 percent of the amount due is assessed on all payments received after the due date (due by the 25th of the month following the end of the quarter). If payment is not made within 30 days after the due date, interest will accrue at an annual rate of 12 percent (1 percent per month).

Q8. What if all my company does is sell exchange cabinets with filled DOT cylinders for shipment into the state for use by resellers?

A8. If you are a retailer/marketer buying product from a wholesaler/broker and you pick up the product at an out-of-state terminal or another type of location, at the time you cross into New Jersey, you become the title owner and must register and pay the mandatory assessment fee.

APPENDIX

Exhibit #	Form
LPG-1	Assessment Remittance Report
LPG-2	LP-Gas Odorizer or Importer Registration Form
LPG-3	LP-Gas Load Exemption - Certificate of LP-Gas Destined for Export
LPG-4	LP-Gas Monthly Usage Report
LPG-5	LP-Gas Assessment Refund Request
LPG-6	LP-Gas Odorization Report of Terminal Operators

ASSESSMENT REMITTANCE REPORT

This information is required for verification of assessments due on sales or import of odorized LP-Gas. Response is required by the rules adopted pursuant to N.J.S.A. 21:1B.

(All forms may be duplicated as needed for reporting BCS assessments. Additional copies of forms are available by calling or writing the Bureau of Code Services office at 609-633-6835.)

Section 1.

Company Name: _____
 Mailing Address: _____
 City: _____ State _____ Zip Code: _____
 Contact Telephone No.: _____ Fax No.: _____

Must be completed

For BCS Use Only

This report covers the quarterly period from _____ to _____, 200____.

\$ Amt. Received

\$ Amt. Enclosed

Section 2.

Odorization Point (Name, City & State)	Gallons Odorized	Assessment	Amount Due
		x \$.00067	
		x \$.00067	
		x \$.00067	
		x \$.00067	
		x \$.00067	
		x \$.00067	
Total amount collected on this page:			
Total amount carried forward from - attached pages:			
Adjustments / Penalties / Interest (attach explanation):			
Total amount remitted:			\$

• **Items are due no later than 25 days after the end of the recording period (quarterly).**

- *A 5 percent penalty will be due on payments received after the due date.*
- *Interest of 1 percent per month will be assessed on payments overdue by 30 days or more.*

☐ **Check here if additional sheets were required to complete your remittance report.**

☐ **Check here if this report is also intended to serve as your official Odorization Report.**

I, the undersigned, hereby certify that I was the owner of the stated volumes of LP-Gas at the time they were odorized or imported into New Jersey and that the information contained in this report is true and accurate.

 Signature of Corporate Office or Authorized Person

 Printed name and title

 Date

Make check payable to: Treasurer State of New Jersey. Mail form(s) and check to: *Department of Community Affairs, Bureau of Code Services, LP-Gas Unit, P.O. Box 816, Trenton, NJ 08625-0816*

Please sign the certification on page 1

Please reproduce this page as necessary to complete the Assessment Remittance Report

LP-GAS ODORIZER OR IMPORTER REGISTRATION FORM

Pursuant to N.J.S.A. 21:1B, the below-named odorizer or importer of LP-Gas comes under regulation of this statute and must register annually with the Department of Community Affairs, Division of Codes and Standards, Bureau of Code Services. (Check one of the following)

☐ **Company is a first time odorizer or importer; or**

☐ **Company is requesting subsequent annual registration as an odorizer or importer; previously registered on _____.**
(Month/Year)

Odorizer shall complete Section I & II. Importers shall complete Section I only. Both the LP-Gas odorizer and importer shall complete this form within 30 days of a change in any of the information reported on this form.

SECTION I (For Odorizers and Importers):

Name			
Mailing Address			
City	State	Zip	Telephone Number
Contact Person	Title	Telephone Number	

SECTION II (For Odorizers only):

Odorization Facility Name	Facility Contact Person
Physical Address (No P.O. Boxes)	Mailing Address
City	City
State	State
Zip	Zip
County	Area Code
	Telephone Number
Odorization Facility Name	Facility Contact Person
Physical Address (No P.O. Boxes)	Mailing Address
City	City
State	State
Zip	Zip
County	Area Code
	Telephone Number

LP-GAS LOAD EXEMPTION CERTIFICATE OF LP-GAS DESTINED FOR EXPORT

Pursuant to N.J.S.A. 21:1B, deliveries of liquefied petroleum gas (LPG) destined for export to destinations outside the State of New Jersey are exempt from the fee on deliveries of odorized LP-Gas.

I hereby certify that this load of LP-Gas introduced into the following means of conveyance is for export and will be in continuous movement to a destination outside the State of New Jersey.

Tank Manufacturer

Tank Serial No.

Water Capacity

Under penalties prescribed in Section 21:1B-5 of the New Jersey Statutes, I hereby declare that I am authorized to sign this report, and that the information stated herein is true, correct and complete to the best of my knowledge.

Net Gallons Delivered

Printed Name

Product Delivered

Name of Company

Delivery Date

Loading Facility Location

Time of Day

Mailing Address of Company

Bill of Lading Number

City

State

Zip

Authorized Signature

Title**RETURN TO:**

State of New Jersey
Department of Community Affairs
Division of Codes and Standards
Bureau of Code Services
LP-Gas Unit
P.O. Box 816
Trenton, New Jersey 08625-0816

LP-GAS MONTHLY USAGE REPORT

FOR THE PERIOD FROM _____ TO _____ 200_____

[illegible]☐ No LPG sold during this month.

Assessments are in accordance with Title 21:1B-15 and are due by the 25th day of the months of January, April, July and October.

I certify that the above information is true and correct.

Signature & Title

Date _____

Company Name & Phone Number

LP-GAS ASSESSMENT REFUND REQUEST

NAME _____ OF _____ COMPANY _____

MAILING _____ ADDRESS _____

CITY _____ STATE _____ ZIP _____

I hereby request a refund in the amount of \$ _____ from the Bureau of Code Services. This refund is requested for the following reason(s).

Supporting export and payment documentation must accompany this request. Examples of appropriate supporting export documentation include bills of lading, shipping manifests and load tickets. Examples of appropriate supporting payment documentation include invoices, ledgers and journal entries tied to export documents.

Under penalty prescribed in **N.J.S.A. 21:1B-5**, I hereby declare that I am authorized to sign this report and that the information stated herein is true, correct and complete to the best of my knowledge.

RETURN TO:

State of New Jersey
Department of Community Affairs
Division of Codes and Standards
Bureau of Code Services
LP-Gas Unit
P.O. Box 816
Trenton, New Jersey 08625-0816

Authorized Signature_____
Printed Name()
Area Code_____
Telephone Number_____
Date

I, the undersigned, hereby certify that the information contained in this Odorization Report is true and accurate.		
_____ Signature of Corporate Office or Authorized Person	_____ Printed name and title	_____ Date
Mail form(s) no later than the 25th of month for the reporting period as required to: <i>Department of Community Affairs, Bureau of Code Services, LP-Gas Unit, P.O. Box 816, Trenton, NJ 08625-0816</i>		

This is page _____ of _____

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Please use continuation pages if more space is required